United Nations A/HRC/37/L.22

General Assembly

Distr.: Limited
16 March 2018

Original: English

Human Rights Council
Thirty-seventh session
26 February–23 March 2018
Agenda item 3
Promotion and protection of all human rights, civil, political, economic, social and cultural rights, including the right to development

Algeria,* Bolivia (Plurinational State of),* China, Cuba, Egypt, Eritrea,* Syrian Arab Republic,* Venezuela (Bolivarian Republic of), State of Palestine:* draft resolution

37/... The effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights

The Human Rights Council,

Guided by the Charter of the United Nations, the Universal Declaration of Human Rights, the Vienna Declaration and Programme of Action and other relevant international human rights instruments,

Reaffirming all resolutions and decisions adopted by the Commission on Human Rights and the Human Rights Council on the effects of structural adjustment and economic reform policies and foreign debt on the full enjoyment of all human rights, particularly economic, social and cultural rights, the latest being Council resolution 34/3 of 23 March 2017,

Reaffirming also its resolution 34/11 of 23 March 2017,

Reaffirming further its resolution S-10/1 of 23 February 2009 on the impact of the global economic and financial crises on the universal realization and effective enjoyment of human rights,

Bearing in mind paragraph 6 of General Assembly resolution 60/251 of 15 March 2006,

Stressing that one of the purposes of the United Nations is to achieve international cooperation in solving international problems of an economic, social, cultural or humanitarian character,

Emphasizing that the World Conference on Human Rights agreed to call upon the international community to make all efforts to help to alleviate the external debt burden of developing countries in order to supplement the efforts of the Governments of such countries to attain the full realization of the economic, social and cultural rights of their people,

* State not a member of the Human Rights Council.

Stressing the primacy of the means of implementation for the 2030 Agenda for Sustainable Development, and in this regard underlining the fundamental principles of international cooperation, which are pivotal for the practical achievement of the Sustainable Development Goals,

Stressing also the determination expressed in the 2030 Agenda to assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and to address the external debt of highly indebted poor countries to reduce debt distress,

Recognizing the commitments made in the Addis Ababa Action Agenda, and noting that, despite international debt relief efforts, many countries remain vulnerable to debt crisis and some are in the midst of a crisis, including a number of least developed countries and small island developing States and some developed countries,

Mindful of the role, mandate and activities of other United Nations agencies, funds and programmes in dealing with the issues of foreign debt and international financial obligations,

Acknowledging that there is greater acceptance that the increasing debt burden faced by the most indebted developing countries, in particular the least developed countries, is unsustainable and constitutes one of the principal obstacles to achieving progress in people-centred sustainable development and poverty eradication and that, for many developing and some developed countries, excessive debt servicing has severely constrained their capacity to promote social development and provide basic services to create the conditions for the realization of economic, social and cultural rights,

Expressing its concern that, despite repeated rescheduling of debt, developing countries continue to pay out more each year than the actual amount they receive in official development assistance,

Recalling the Basic Principles on Sovereign Debt Restructuring Processes, which emphasize that sovereign debt restructuring workouts should be completed in a timely and efficient manner and lead to a stable debt situation in the debtor State, minimizing economic and social costs, warranting the stability of the international financial system and respecting human rights,

Recognizing the sovereign right of any State to restructure its sovereign debt, which should not be frustrated or impeded by any measure emanating from another State,

Recognizing also that illicit financial flows, including tax evasion by high net-worth individuals, commercial tax evasion through trade misinvoicing and tax avoidance by transnational corporations, contribute to the build-up of unsustainable debt, as Governments lacking domestic revenue may resort to external borrowing,

Emphasizing that inequality continues to increase, and that it often contributes to social exclusion and the marginalization of certain groups and individuals,

Recognizing the severe human rights impact of the recent financial crisis and that human rights have not always being taken into account in the development of policy responses to the crisis,

Affirming that debt burden further complicates the numerous problems facing developing countries, contributes to extreme poverty and is an obstacle to sustainable human development, and is thus a serious impediment to the realization of all human rights,

1. *Takes note with appreciation* of the report of the Independent Expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights,[1] and welcomes the work and contributions of the Independent Expert;

[1] A/HRC/37/54.

2. *Also takes note with appreciation* of the mapping of human rights impact assessment tools undertaken by the Independent Expert,[2] and requests him to continue to develop guiding principles for assessing the human rights impact of economic reform policies, in consultation with States and all other relevant stakeholders, and to submit the guiding principles to the Human Rights Council at its fortieth session;

3. *Recalls* that every State has the primary responsibility to promote the economic, social and cultural development of its people and, to that end, has the right and responsibility to choose its means and goals of development and should not be subject to external specific prescriptions for economic policy;

4. *Recognizes* that more than two thirds of countries across the world are contracting their public purses and limiting, rather than expanding, their fiscal space;

5. *Reaffirms* the fact that responses to the global financial and economic crises should not result in a decrease in debt relief, nor should they be used as an excuse to stop debt relief measures, as that would have negative implications for the enjoyment of human rights in affected countries;

6. *Recognizes* that debt relief can play a key role in liberating resources that should be directed towards activities consistent with attaining sustainable growth and development, including poverty reduction and the achievement of development goals, including those set out in the 2030 Agenda for Sustainable Development, and therefore that debt relief measures, where appropriate, should be pursued vigorously and expeditiously, ensuring that they do not replace alternative sources of financing and that they are accompanied by an increase in official development assistance;

7. *Also recognizes* that not all efforts to reduce public spending are harmful to human rights, and calls for consistent public spending policies that ensure full compliance with the human rights obligations of States and for those policies to take into account the fact that the human rights of the poorest and most vulnerable must be respected, protected and fulfilled;

8. *Recalls once again* the call on industrialized countries to implement the enhanced programme of debt relief without further delay and to agree to cancel all the official bilateral debt of those countries covered by the programme in return for their making demonstrable commitments to poverty reduction;

9. *Urges* the international community, including the United Nations system, the Bretton Woods institutions and the private sector, to take appropriate measures and actions for the implementation of the pledges, commitments, agreements and decisions of major United Nations conferences and summits, including the Millennium Summit, the World Conference on Human Rights, the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance, the World Conference on Sustainable Development and the International Conference on Financing for Development, in particular those relating to the question of the external debt problem of developing countries, in particular of heavily indebted poor countries, least developed countries and countries with economies in transition;

10. *Stresses* that the economic reform programmes arising from foreign debt should maximize the policy space of developing countries in pursuing their national development efforts, taking into account the views of relevant stakeholders in a way that ensures balanced development conducive to the overall realization of all human rights;

11. *Also stresses* that the economic programmes arising from foreign debt relief and cancellation must not reproduce past structural adjustment policies that have not worked, such as dogmatic demands for privatization and reduced public services;

12 *Further stresses* that fiscal consolidation and economic reform measures should never violate the minimum core content of economic, social and cultural rights, nor be directly or indirectly discriminatory or result in the adoption of impermissible

[2] See A/HRC/37/54.

retrogressive measures in terms of the enjoyment or implementation of economic, social and cultural rights;

13. *Calls upon* States, the International Monetary Fund and the World Bank to continue to cooperate closely to ensure that additional resources made available through the Heavily Indebted Poor Countries Initiative, the Global Fund to Fight AIDS, Tuberculosis and Malaria and other new initiatives are absorbed in the recipient countries without affecting ongoing programmes;

14. *Urges* States, international financial institutions and the private sector to take urgent measures to alleviate the debt problem of those developing countries particularly affected by HIV/AIDS so that more financial resources may be released and used for health care, research and treatment of the population in the affected countries;

15. *Reiterates* its view that, in order to find a durable solution to the debt problem and for the consideration of any new debt resolution mechanism, there is a need for a broad political dialogue between creditor and debtor countries and the multilateral financial institutions, within the United Nations system, based on the principle of shared interests and responsibilities;

16. *Encourages* States to continue to consider improved approaches to restructuring sovereign debt, taking into account the Basic Principles on Sovereign Debt Restructuring Processes and the work carried out by international financial institutions, in accordance with their respective mandates;

17. *Reiterates* its request to the United Nations High Commissioner for Human Rights to pay more attention to the problem of the debt burden of developing countries, in particular of least developed countries, and especially the social impact of the measures arising from foreign debt;

18. *Takes note* of the work of the Advisory Committee on the activities of vulture funds and their impact on human rights, and requests the Committee to submit the final report thereon to the Human Rights Council at its forty-first session;

19. *Requests* the Independent Expert to continue to explore the interlinkages with trade and other issues, including HIV/AIDS, when examining the impact of structural adjustment and foreign debt, and also to contribute, as appropriate, to the process entrusted with the follow-up to the International Conference on Financing for Development with a view to bringing to its attention the issue of the effects of structural adjustment and foreign debt on the enjoyment of human rights, particularly economic, social and cultural rights;

20. *Encourages* the Independent Expert to continue to cooperate, in accordance with his mandate, with the Committee on Economic, Social and Cultural Rights, special rapporteurs, independent experts and members of the expert working groups of the Human Rights Council and its Advisory Committee on issues relating to economic, social and cultural rights and the right to development in his work;

21. *Requests* the Independent Expert to report regularly to the Human Rights Council and the General Assembly in accordance with their respective programmes of work;

22. *Requests* the Secretary-General to provide the Independent Expert with all necessary assistance, in particular all the staff and resources required to carry out his functions;

23. *Urges* Governments, international organizations, international financial institutions, non-governmental organizations and the private sector to cooperate fully with the Independent Expert in the discharge of the mandate;

24. *Requests* the Independent Expert to submit a report on the implementation of the present resolution to the Human Rights Council at its fortieth session;

25. *Decides* to continue its consideration of this matter at its fortieth session under the same agenda item.